HIRE Act Includes Braley Tax Break to Spur Small Business Job Creation

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Washington, DC - The House today passed legislation including language from the *Back to Work Act*
, introduced by Congressman Bruce Braley (D-Iowa), to spur small business job creation by creating a payroll tax cut for small business owners who hire previously unemployed workers. The
Hiring Incentives to Restore Employment (HIRE) Act
, also known as HR 2847, is a bipartisan bill designed to create and save hundreds of thousands of jobs this year. The bill includes Braley's measure to exempt small businesses from paying the employer's share of the social security tax for the rest of 2010 if they hire workers who have been unemployed for more than 60 days prior to employment. Braley introduced the
Back To Work Act
on February 22.

"It goes without saying that America's small businesses are the backbone of our economy," Braley said. "As we continue to develop policies to strengthen our economy and put America's middle class families back to work, small business development will be one of the keys to our success. This payroll tax cut is win-win, giving small business owners the help they need to create good-paying jobs for unemployed workers."

Braley's language in the *HIRE Act* provides small business owners with greater incentives to hire workers for long-term positions, providing $1,000 in additional tax incentives for

businesses that retain employees for 52 consecutive weeks. The payroll tax cut provides greater incentive for employers to move quickly to hire new workers because the credit expires at the end of the year. The sooner employees are hired, the more time small business owners have to benefit from the credit.

The *HIRE Act* also includes the following provisions:

o   Tax cuts to spur new investment by small businesses to help them expand and hire more workers

o   Extension of the Highway Trust Fund allowing for tens of billions of dollars in infrastructure investment

o   Provisions -- modeled after the Build America Bonds program - to make it easier for states to borrow for infrastructure projects, such as school construction and energy projects

The Senate passed similar language earlier this week by a vote of 70-28.

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